GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

STARRED QUESTION NO:48
ANSWERED ON:23.07.2003
RURAL TELEPHONE SERVICES
MOHAN RAWALE;RAM VILAS PASWAN

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the telecom companies were required to provide rural telephone services by the end of 2002;

(b) if so, the facts thereof;

(c) whether the telephone service providers have achieved the said target;

(d) if so, the details thereof, State-wise;

(e) if not, the reasons therefor;

(f) whether the Government have now set any new deadline for the telephone service providers to fulfil their rural telephony obligations;

(g) if so, the details thereof; and

(h) the action taken/proposed to be taken against them for not fulfilling the rural telephony obligations?

Answer

THE MINISTER OF COMMUNICATIONS & INFORMATION TECHNOLOGY AND DISINVESTMENT (ARUN SHOURIE)

(a) to (h) A statement is laid on the table of the House.

STATEMENT TO BE LAID ON THE TABLE OFTHE LOK SABHA IN RESPECTOF PARTS (a) TO (h) OF LOK SABHA STARREI QUESTION NO. 48 FOR 23RD JULY, 2003 REGARDING RURAL TELEPHONE SERVICES.

Various telecom companies providing Basic services were to cover all revenue villages with Village Public Telephones (VPTs) by the end of 2002. These companies included 6 Private Basic Service Operators who were granted licences in 1997-98as well as Bharat Sanchar Nigam Limited (BSNL). No obligation to cover rural areas was imposed on companies that were granted licences to operate Cellular Telephone Service.

The licences granted from July, 2001 to October, 2001 to various companies for providing Basic Telephone Service do not have roll out obligations in terms of coverage of VPTs. Instead they are required to establish 'Points of Presence' in equal proportion in each category of Urban, Semi-urbanand rural Short Distance ChargingArea (SDCA), typically a tehsil. In the first phase of roll outi.e. by the end of two years from the date of grant of licence, they are expected to achieve 15% of such coverage.

According to available information, State-wise status of the achievement of VPT targets, as on 31.12.2002, is given in the Annexure.

The reasons for shortfall from the targets include the following:-

(i) Poor performance by Private Basic Telephone Service Operators due to non-remunerative nature of VPTs.

(ii) Villages being in Naxalite infested and other insurgency affected areas.

(iii) De-population of villages.

(iv) Many villages having population less than 100.

(v) Clearance not being accorded for VPTs based on Wireless Local Loop systems in the States of North East and in J&K.

(vi) VPTs can be provided only by utilizing satellite as a media; this entails prohibitive cost.

Government is considering a proposal to support BSNL for providing VPTs based on satellite media. Necessary steps havebeen taken by BSNL to provide VPTs in theStates of North East and J&K on WLL. These will be installedafter receiving clearances from the concerned agencies. It is expected that such VPTs will be provided by the end of 2003.

The Government has been persuading the private Basic Service Operators to fulfil their committed roll out obligations. Liquidated Damage Charges to thetune of Rs. 53.75 crores have been recovered from six Private Basic Telephone Service Operatorsfor delay in commencement of service as well as delay in providing VPTs and Direct Exchange Lines. A notice was issued in May, 2003 to Private Basic Operators to provide VPTs as well as submit plansto provide balance VPTs by the end of 2003 after excluding the categories of villages identified as de-populated villages, villages with population less than 100, Naxalite or insurgency affected villages and villages to be covered by satellite media in the first phase. They were informed that failing these, steps to encash the Performance Bank Guarantees will be initiated. Five Basic Operators have responded to the notice and submitted plans to cover 5749 villages in four service areas by December, 2003 to March, 2004. This excludes 2709 villages which have phones butnot public phones. One service area, i.e. Punjab had already been fully covered with VPTs. One Basic Operator has approached the court and obtained a stay against the notice that was issued. The notices have resulted in an increase, as per available information, i n the number of VPTs installed by private operators from 10, 648 at the end of May, 2003 to 11,632 at the end of June, 2003, i.e. by approximately 10%. The fulfilment of the commitments now given by the private operators will be closely monitored and Performance Bank Guarantees would be liable to be encashed in case of failure.

ANNEXURE

STATUS OF VPTs STATE-WISE AS ON 31.12.2002

S.No	Service Area	Total No. of Revenue Villages	VPTs provided by BSNL	VPTs provided by Private Basic Telephone Operators	Total
1.	Andaman & Nicobar	201	197	-	197
2.	Andhra Pradesh	29460	23419	1314	24733
3.	Assam	24685	17691	-	17691
4.	Bihar	72780	64640	-	64640
5.	Gujarat	18125	11214	2894	14108
6.	Haryana	6850	6811	-	6811
7	Himachal Pradesh	16925	16585	-	16585
8.	J & K	6764	4094	-	4094
9.	Karnataka	27066	27060	-	27060
10.	Kerala	1468	1468	-	1468
11.	Madhya Pradesh	71526	52230	348	52578
12.	Maharashtra	42467	31541	1140	32681
13.	North East	14145	5249	-	5249
14.	Orissa	46989	40314	-	40314
15.	Punjab	12687	12687	734	13421
16.	Rajasthan	39483	23858	693	24551
17.	Tamil Nadu	17899	17899	-	17899
18.	U.P. (East)	79792	75855	-	75855
19.	U.P. (West)	39214	32864	-	32864
20.	West Bengal	38774	37743	-	37743
21.	Delhi	191	191	-	191
Total		607491	503610	7123	510733

Bihar service area includes Bihar and Jharkhand States, Madhya Pradesh Service area includes Madhya Pradesh and Chhattisgarh States, North East service area includes States of

Meghalaya, Nagaland, Arunachal Pradesh, Manipur, Tripura and Mizoram, Punjab Service area includes State of Punjab and U.T. of Chandigarh, and Uttar Pradesh (West) service area includes western parts of Uttar Pradesh and Uttaranchal State.